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- (ii) The Assistant Secretary will inform the agency in writing of the reasons for the withdrawal.
- (c)(1) If, following notification from HUD that its fair housing law no longer meets the criteria identified in §115.204, an interim-certified or certified agency unequivocally expresses to HUD that its fair housing law will not be brought back into compliance, the Assistant Secretary may forgo suspension and proceed directly to withdrawal of the agency's interim certification or certification.
- (2) During any period after which the Assistant Secretary proposes withdrawal, until such time as the agency establishes that administration of its law meets all of the substantial equivalency certification criteria set forth in 24 CFR part 115, the agency shall be ineligible for funding under the FHAP.
- (d) Consequences of repeal. If a state or local fair housing law that HUD has previously deemed substantially equivalent to the Act is repealed, in whole or in part, or a related law that bears on any aspect of the effectiveness of the agency's fair housing law is repealed, in whole or in part, the Assistant Secretary may immediately withdraw the agency's interim certification or certification.
- (e) Changes not limiting effectiveness. Nothing in this section is meant to limit the Assistant Secretary's authority to determine that a change to a fair housing law does not jeopardize the substantial equivalency interim certification or certification of an agency.
- (1) Under such circumstances, the Assistant Secretary may proceed in maintaining the existing relationship with the agency, as set forth in the interim agreement or MOU.
- (2) Alternatively, the Assistant Secretary may decide not to refer certain types of complaints to the agency. The Assistant Secretary may elect not to provide payment for these complaints and may require the agency to refer such complaints to the Department for investigation, conciliation, and enforcement activities.
- (3) When the Assistant Secretary determines that a change to a fair housing law does not jeopardize an agency's substantial equivalency certification, the Assistant Secretary need not pro-

ceed to suspension or withdrawal if the change is not reversed.

§115.212 Request after withdrawal.

- (a) An agency that has had its interim certification or certification withdrawn, either voluntarily or by the Department, may request substantial equivalency interim certification or certification
- (b) The request shall be filed in accordance with §115.202.
- (c) The Assistant Secretary shall determine whether the state or local law, on its face, provides substantive rights, procedures, remedies, and judicial review procedures for alleged discriminatory housing practices that are substantially equivalent to those provided in the federal Fair Housing Act. To meet this standard, the state or local law must meet the criteria enumerated in §115.204.
- (d) Additionally, if the agency had documented performance deficiencies that contributed to the past withdrawal, then the Department shall consider the agency's performance and any steps the agency has taken to correct performance deficiencies and to prevent them from recurring in determining whether to grant interim certification or certification. The review of the agency's performance shall include HUD conducting a performance assessment in accordance with §115.206.

Subpart C—Fair Housing Assistance Program

§115.300 Purpose.

The purpose of the Fair Housing Assistance Program (FHAP) is to provide assistance and reimbursement to state and local fair housing enforcement agencies. The intent of this funding program is to build a coordinated intergovernmental enforcement effort to further fair housing and to encourage the agencies to assume a greater share of the responsibility for the administration and enforcement of fair housing laws.

The financial assistance is designed to provide support for:

- (a) The processing of dual-filed complaints;
- (b) Training under the Fair Housing Act and the agencies' fair housing law;